

## MINUTES

### FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 2

March 21, 2018

The Board of Directors (the "Board") of Fort Bend County Levee Improvement District No. 2 (the "District"), met in regular session, open to the public, on the 21st day of March, 2018, at the William "Bill" Little Pump Station (aka Pump Station A), 4435 Greystone Way, Sugar Land, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Andre D. McDonald	President
Bryan K. Chapline	Vice President
Glen R. Gill	Secretary

and all of said persons were present with Director Gill attending by videoconference, thus constituting a quorum.

Also present for all or part of the meeting were Jorge Diaz of McLennan & Associates, LP; Michelle Guerrero of Bob Leared Interests, Inc.; David Beyer and Jason Klump of Stormwater Solutions, LP; Russell Jones of The Holloway Jones Law Firm; Mike Stone and Phil Martin of Mike Stone Associates, Inc.; Mike Thelen and Tyler Werlein of LID Solutions, LLC; Gregory P. Frank, P.E. of Costello, Inc.; Rita Anderson of Freese and Nichols, Inc. ("FNI"); Jorge Alba of the City of Sugar Land (the "COSL"); and David Oliver and Justine M. Cherne of Allen Boone Humphries Robinson LLP.

#### PUBLIC COMMENTS

Director McDonald opened the meeting to receive public comments. There being no public comments, Director McDonald closed the meeting to public comments.

#### CONSENT AGENDA:

Approve Minutes;  
Financial and Bookkeeping matters, including Payment of District's Bills; and  
Tax Assessment and Collections Matters, including Payment of Tax Bills.

Following review and discussion, Director Chapline moved to approve the items included on the Consent Agenda, including the minutes of the Board's meetings held December 11 and 12, 2017, and February 20, 2018. Director McDonald seconded the motion, which passed by unanimous vote. Copies of the minutes and the bookkeeper's and tax assessor/collector's reports are included in the attached Board Book.

## ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Mr. Diaz reviewed additional check nos. 10648 - 10650, from the District's General Fund, for payment of invoices related to the District's electricity and security services and reimbursement for Director conference expenses. Following review and discussion, Director Chapline moved to authorize execution of the additional checks. Director McDonald seconded the motion, which was approved by unanimous vote.

## ADDITIONAL TAX ASSESSMENT AND COLLECTION MATTERS

There were no additional tax assessment or collection matters.

## APPROVE ANNUAL REPORT AND PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's Annual Report for filing with the appropriate information depositories by March 31, 2018, in accordance with the District's Continuing Disclosure of Information Agreements and as required by SEC Rule 15c2-12. Following review and discussion, Director Chapline moved to approve the Annual Report and direct that the report be filed appropriately and retained in the District's official records. Director McDonald seconded the motion, which was approved by unanimous vote.

The Board conducted an annual review of the District's Procedures for Continuing Disclosure Compliance and concurred that no changes were necessary.

## STORM WATER MANAGEMENT PLAN AND PUBLIC COMMENTS

Mr. Beyer updated the Board on the District's Storm Water Management Plan ("SWMP"). He distributed and reviewed the Year 4 annual report for the SWMP and a summary of the Year 5 goals and training under the SWMP, copies of which are attached. The Board reviewed a proposed informational document regarding stormwater runoff and prevention of stormwater pollution for posting on the District's website and the proposed Public Education, Outreach and Involvement chapter of the Stormwater Guidance Manual, copies of which are attached to the summary of the Year 5 goals and training.

Mr. Beyer began his training session with the Board and the District's consultants. The topic of the Year 5 training was stormwater pollution prevention and minimum control measures. Mr. Beyer explained the importance of keeping household hazardous waste, pet waste, and yard waste out of the storm sewers to prevent adding to bacterial impairment. He then continued with the training, thoroughly explaining the sources of bacteria and outlining the program elements of the SWMP that deal with these sources. Discussion ensued regarding SWMP compliance for construction projects within the District.

Following review and discussion, Director Chapline moved to approve the Year 4 annual SWMP report, the Year 5 goals, the informational document for posting on the District's website, and the Public Education, Outreach and Involvement chapter of the Stormwater Guidance Manual. Director McDonald seconded the motion, which carried unanimously.

#### GENERAL MANAGER MATTERS

Mr. Stone and Mr. Martin reported on General Manager matters, including the status of current and future District Capital Improvement Plan projects. A copy of the General Manager's report is included in the attached Board Book.

Mr. Martin reported on public communication matters. He reviewed a copy of the District's Spring 2018 newsletter and discussed articles planned for future newsletters. A copy of the newsletter is included in the attached Board Book.

Mr. Martin reported on the status of the design of the District's website by Shannon Waugh of Off Cinco.

Mr. Stone reported on the planned distribution of email blasts and direct mailings to notify the public of the District's Hurricane Harvey after-action public meeting, co-hosted with the COSL, and scheduled for April 4, 2018, at 6:00 p.m. in the COSL City Council chambers. Discussion ensued regarding preparation for the meeting.

Director McDonald reported that he has been asked to give presentations at conferences to be held by the Property Casualty Insurers Association of America, the Association of State Floodplain Managers, and the National Association of Floodplain and Stormwater Management Agencies.

#### PRIVATE COMMUNITY PURCHASED FLOOD INSURANCE

Director Gill reported on the National Flood Determination Association's annual conference. He discussed a new rating system and pricing plan anticipated to be adopted by the National Flood Insurance Program by 2020.

Director Gill reported on a meeting he attended with representatives of Assurant, Inc. regarding parametric insurance coverage for the District and discussed flood catastrophe bond funding.

#### GENERAL MANAGER MATTERS (CONTINUED)

Mr. Martin reported that the District's project to rehabilitate Ditches B, B-1, C, C-1, and E, including access driveway locations, is advertising for bids. Mr. Oliver discussed revisions made to a proposed Development Participation Agreement for Storm Sewer Outfall Improvements between the District and the COSL for including

the COSL's outfall rehabilitation project as an alternate bid item of the construction contract for the District's project. Discussion ensued regarding managing the COSL's payments for its project. Following discussion, the Board concurred to review a revised agreement at its April 18, 2018, meeting.

Mr. Martin reported that the District's proposed pilot project to install articulated concrete block material on top of a portion of the District's west levee from the William "Bill" Little Pump Station to US Highway 59 and project to construct overflow parking at the pump station and an additional levee access point near US Highway 59 is advertising for bids.

Mr. Martin and Mr. Frank updated the Board on the design of the proposed rehabilitation and improvement project for the District's south and east levees, including the proposed road crossings under review by the COSL and coordination with SWCA Environmental Consultants on permitting matters. Mr. Frank discussed the possibility that the results of a study of the Brazos River elevations performed by Half Associates, Inc. will have an impact on the project. He stated that he does not know when the results of the study will be available for review.

Mr. Stone reported on the status of AECOM's preparation of a Preliminary Engineering Report to include a series of alternatives and preliminary design for the District's proposed third storm water pump station. He discussed AECOM's evaluation of the type of pump to be installed in the pump station.

CONSIDERATION AND POSSIBLE ADOPTION OF A RESOLUTION OF THE BOARD OF DIRECTORS OF FORT BEND COUNTY LEVEE IMPROVEMENT DISTRICT NO. 2, DETERMINING THAT A 1.172 ACRE TRACT OF LAND, BEING ALL OF RESERVE A AND PART OF RESERVE F OF AUSTIN MEADOW SECTION 1, A SUBDIVISION IN FORT BEND COUNTY, TEXAS ACCORDING TO THE MAP OR PLAT THEREOF RECORDED AT SLIDES NO. 959/A AND 959/B OF THE FORT BEND COUNTY PUBLIC RECORDS, IS NEEDED FOR THE CONSTRUCTION, OPERATION, MAINTENANCE, INSPECTION, REPLACEMENT, AND REMOVAL OF A SUPPLEMENTAL PUMP STATION, AND AUTHORIZING THE INSTITUTION OF EMINENT DOMAIN PROCEEDINGS

Mr. Jones reported on a final purchase offer made on behalf of the District for a 1.172-acre tract of land for a supplemental storm water pump station. Discussion ensued regarding the schedule for the proposed design and construction of the supplemental storm water pump station.

Mr. Jones reviewed a Resolution of the Board of Directors of Fort Bend County Levee Improvement District No. 2, Determining That a 1.172 Acre Tract of Land, Being All of Reserve A and Part of Reserve F of Austin Meadow Section 1, a Subdivision in Fort Bend County, Texas According to the Map or Plat Thereof Recorded at Slides No. 959/A and 959/B of the Fort Bend County Public Records, Is Needed for the

Construction, Operation, Maintenance, Inspection, Replacement, and Removal of a Supplemental Pump Station, and Authorizing the Institution of Eminent Domain Proceedings (the "Resolution"). Following review and discussion, Director Chapline moved that the Fort Bend County Levee Improvement District No. 2, in a record vote, adopt the attached Resolution authorizing the use of the power of eminent domain to acquire the real property described in the resolution and for the purposes described in the resolution. Director McDonald seconded the motion, which was approved by unanimous vote, with Directors McDonald, Gill, and Chapline each voting for adoption of the Resolution.

Mr. Stone reported on Hurricane Harvey after-action plan matters and reviewed updated schedules for related projects included in the Capital Improvement Plan. He stated that the schedule for the proposed purchase of additional emergency radios for the District will be added to the plan.

Mr. Martin reported on the status of Hatch Associates Consultants, Inc.'s preparation of plans and specifications for the pump replacement project at Pump Station F.

Mr. Stone and Mr. Martin reported on the status of their research on the proposed installation of flood monitoring equipment and procedures for flood monitoring undertaken by other entities. Director Gill recommended researching third party options for monitoring water elevation in Ditches A and H.

Mr. Stone and Mr. Martin recommended approval of FNI's Work Order No. 17 for hydrologic and hydraulics analyses of the District's drainage system and Oyster Creek and on-call services in the amount of \$251,000.00. Mr. Stone stated that the analyses will evaluate alternate scenarios and cost estimates for feasible solutions for increasing storage for the District's internal drainage system and improving performance of gravity drainage. He stated the work order includes a risk assessment of flooding from Oyster Creek through the open end of the District's levee and on-call services for review of the plans and specifications for the third pump station. Discussion ensued regarding additional assessments and evaluations that the COSL should perform. Following review and discussion, Director Chapline moved to approve FNI's Work Order No. 17. Director McDonald seconded the motion, which was approved by unanimous vote. A copy of the work order is included in the attached Board Book.

Mr. Martin reported that the next meeting of the First Colony - Missouri City (also known as SugarStone) perimeter levee system is scheduled for April 10, 2018.

Director McDonald discussed preparing the District's facilities to meet evaluation requirements incorporating new Levee Safety Action Classification standards that are anticipated to be adopted soon by the United States Army Corps of Engineers (the "USACE"). He recommended that the District engage HR Wallingford

Group Ltd. ("HRWG") to perform Phase 2 fragility, reliability, and resiliency analyses of the District's levee system. He additionally recommended requesting a proposal from HRWG for a Phase 3 study of the District's levee system focusing on Oyster Creek drainage solutions. Following review and discussion, Director McDonald moved to engage HRWG to perform Phase 2 fragility, reliability, and resiliency analyses of the District's levee system in the amount of \$194,916.00. Director Gill seconded the motion, which was approved by unanimous vote.

Mr. Martin reported on the status of testing for the District's pilot study to determine whether the proposed water reel distribution option provides effective emergency irrigation for the District's levees.

Mr. Martin reported on District operation and maintenance activities, including the status of work orders, and responded to Board members' questions. He recommended approval of a Service Agreement with GreenScape Associates, LLC ("GreenScape") in the amount of \$11,250.00 for repair and replacement of the concrete block entrances installed at the District's east levee and LJ Parkway by Fort Bend County Levee Improvement District No. 19 ("LID 19") for its LJ Parkway road construction project. He stated the cost of the GreenScape project will be paid from the \$7,500.00 deposit held by the District for the Roadway Easement granted for LID 19's completed road construction project and an invoice to be sent to LID 19 in the amount of \$4,312.50, which includes a project management fee in the amount of 5% of the project. Following review and discussion, Director Chapline moved to authorize execution of the Service Agreement with GreenScape. Director McDonald seconded the motion, which was approved by unanimous vote.

Mr. Martin updated the Board on the status of FNI's coordination with the District's consultants to update the District's Emergency Preparedness Plan and stated that a workshop will be scheduled to review recommended updates to the plan.

Director McDonald reported that there is no update on the District's proposed participation in the USACE's Silver Jackets program at this time.

#### OPERATION OF DISTRICT FACILITIES

Mr. Thelen reviewed the operator's report, a copy of which is included in the attached Board Book. He discussed routine operating, maintenance, repair, and inspection matters, and activities occurring within the District's right-of-way, including the schedule for applying herbicide, fertilizer, and ant treatment on the District's levees and ditches, as appropriate.

#### ENGINEERING MATTERS

Mr. Frank reported on engineering matters. A copy of the Engineer's Report is included in the attached Board Book.

Mr. Frank discussed his coordination with the District's General Manager on a proposed draft response to the USACE's final report on the Initial Eligibility Inspection of the First Colony - Missouri City (also known as SugarStone) perimeter levee for the Rehabilitation and Inspection Program. He reported that wet weather has delayed the installation of riprap at the State Highway 6 flap gate area to address erosion. Mr. Thelen stated he will discuss an additional option for addressing the area of erosion with Mr. Frank and Mr. Stone.

#### DEEDS, EASEMENTS, AND RIGHT OF ENTRY AND ENCROACHMENT AGREEMENTS

Mr. Martin reviewed Drainage Easements and Temporary Construction Easements for conveyance to the COSL for the COSL's Dam 3 improvement project. Mr. Alba discussed the proposed improvements. Following review and discussion, Director Gill moved to authorize execution of the easements. Director McDonald seconded the motion, which was approved by unanimous vote, except for Director Chapline who was not present for the discussion or the vote.

#### SUGARLAND AMABASSADOR PROGRAM - RIVER EROSION STUDY

Mr. Alba discussed the COSL's project related to analyses of erosion along the Brazos River bank, including efforts to coordinate with Fort Bend County and other stakeholders on developing a regional approach to address the erosion. He stated that he will bring information regarding the COSL's river erosion study to the Board's April 18, 2018, meeting.

#### PRIVATE COMMUNITY PURCHASED FLOOD INSURANCE

Directors McDonald and Gill and Mr. Oliver discussed previous and planned meetings with representatives of Assurant, Inc., Willis Towers Watson, and David Brown of Copeland & Rice, LLP regarding parametric insurance matters.

#### FLOODPLAIN ALLIANCE FOR INSURANCE REFORM MEMBERSHIP CONTRACT

Director McDonald recommended entering into a Membership Contract with Floodplain Alliance for Insurance Reform ("FAIR") for research, analysis, and advocacy services to promote consensus flood hazard reduction policy at the federal level. Following review and discussion, Director Gill moved to execute a Membership Contract with FAIR in the amount of \$1,500.00 per month plus expenses. Director McDonald seconded the motion, which was approved by unanimous vote, except for Director Chapline who was not present for the discussion or the vote.

#### CONFERENCES AND LEGISLATIVE MATTERS

The Board reviewed a calendar of upcoming conferences and discussed legislative and regulatory development matters related to federal levee, floodplain

management, and flood insurance matters with potential significant impacts on Fort Bend County levees.

MEETING SCHEDULE

The Board confirmed its Hurricane Harvey after-action public meeting, co-hosted with the COSL, scheduled for April 4, 2018, at 6:00 p.m. in the COSL City Council chambers.

The Board cancelled its April 4, 2018, workshop meeting and confirmed its regular meeting scheduled for April 18, 2018, at 8:30 a.m. at the Sugar Land Marriott Town Square in the Burning Pear Restaurant.

The Board scheduled special meetings on April 11 and 12, 2018, at the William "Bill" Little Pump Station to discuss parametric insurance coverage for the District and tour the District's facilities with Karin Jacoby of Husch Blackwell LLP and representatives of Willis Towers Watson and Assurant, Inc.

The Board scheduled a special meeting at 10:00 a.m. on May 8, 2018, at pump station A to conduct an emergency preparedness plan exercise.

CONVENE IN EXECUTIVE SESSION

The Board did not convene in executive session.

There being no further business to come before the Board, the meeting was adjourned.



Secretary, Board of Directors

(SEAL)





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